

1998 Logistics Reform Focus Day

Seamless Support for the 21st Century Warfighter

NORENE L. BLANCH • COLLIE J. JOHNSON

"The men and women from defense and industry who are this nation's military logisticians, will always be able to ensure that our warfighters can concentrate on their critical task at hand because you, the logisticians, will always be one leap ahead...to equip them; to deploy them; to feed, house, and clothe them; to be their engineers; to be their medical lifeline; to maintain and to sustain their needs as they battle; and when victory is achieved, to bring them and their equipment home."

— Susan Morrissey Livingstone
Oct. 1, 1998
Logistics Reform Focus
Day II



"WE CANNOT AFFORD A LOGISTICS SYSTEM WHOSE EFFECTIVENESS AND COST ARE BASED ON A MASSIVE INFRASTRUCTURE. MORE IMPORTANTLY, WE CANNOT SUPPORT THE FUTURE AGILITY NEEDS OF OUR WARFIGHTERS BASED ON A HEAVY, SLOW LOGISTICS SYSTEM THAT MIGHT CONSTRAIN MILITARY OPTIONS, OR WHOSE BUDGET DEMANDS MIGHT COMPETE WITH NEEDED FORCE MODERNIZATION."

— SUSAN LIVINGSTONE
KEYNOTE SPEAKER,
1998 LOGISTICS REFORM FOCUS DAY



"[LOGISTICS] IS ONE OF MY TOP PRIORITIES PERSONALLY. WE ALL RECOGNIZE WE HAVE A VERY LONG WAY TO GO AND A VERY HARD ROAD AHEAD OF US, BUT THERE'S NO QUESTION IN MY MIND THAT WE'RE UP TO THE CHALLENGE."

— DR. JACQUES S. GANSLER
UNDER SECRETARY OF DEFENSE
(ACQUISITION & TECHNOLOGY)



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LINDA HEINE FROM THE OFFICE OF THE ASSISTANT DEPUTY UNDER SECRETARY OF DEFENSE FOR CORPORATE LOGISTICS INTEGRATION, COORDINATED WITH REPRESENTATIVES OF THE INDIVIDUAL SERVICES, DEFENSE AGENCIES, AND INDUSTRY TO ORCHESTRATE THE DAY'S EVENTS. KALLOCK CALLED HER EFFORTS "AN EXCEPTIONAL EXAMPLE OF CROSS-FUNCTIONAL AND CROSS-COMMUNITY TEAMWORK."

gistics." And they had a large agenda it would seem, from which to choose.

Packed with activities, visitors could linger at 38 exhibit booths (three of them live demonstrations); interact with senior logistics executives from DoD-Industry during a senior roundtable discussion, followed by a Q&A session; or choose from a large and diversified selection of breakout sessions throughout the day, on subjects ranging from "Seamless Logistics with Electronic Commerce" to the ongoing "Revolution in Military Logistics."

Deputy Under Secretary of Defense (Logistics), Roger W. Kallock, moderated the Senior Roundtable Discussion. Comprised of high-level officials from the Services, the roundtable also included members from DoD and private industry.

Awardees Take Center Stage

This year's event commenced with opening remarks and a welcome by Kallock, a presentation of the DoD Life Cycle Cost Reduction Awards, and an introduction of the keynote speaker by Gansler.

Kallock, appointed as the Deputy Under Secretary of Defense (Logistics) on June 24, spoke of the primary mission for DoD's logistics workforce — supporting the warfighters.

"We've been spending time analyzing the current environment and developing specific plans to transform it into a system where our customers, the warfighters — our sons and daughters, and some day, their sons and daughters — can have complete confidence that *whatever* they need will be *wherever* they need it."

Following Kallock's remarks, Gansler presented the Life Cycle awards to the following six teams in recognition of their achievement in the development and innovation of life cycle cost reduction.

- Army M157A2 Integrated Product Team
- Air Force Medium Range Air-to-Air Missile Vision 2000 Implementation Team



"OUR SHARED COMMITMENT TO THE HIGHEST LEVELS OF CUSTOMER SERVICE HAS BEEN THE FOUNDATION FOR MAJOR ECONOMIC IMPROVEMENTS IN SUPPLY CHAIN EFFICIENCIES...CLEARLY, IN MOST INDUSTRIES OUR NATIONAL SUPPLY CHAIN CAPABILITIES ARE SECOND TO NONE IN THE WORLD TODAY, AND [ARE] READY TO TAKE US INTO THE 21ST CENTURY."

—ROGER W. KALLOCK
DEPUTY UNDER SECRETARY
OF DEFENSE (LOGISTICS)

The Pentagon Center Courtyard was the scene of the 1998 Logistics Reform Focus Day on Oct. 1, which brought together logisticians and acquisition experts from the Military Services, Defense Agencies, and Industry for their second annual observance. This year's theme, "Seamless Support for the 21st Century Warfighter," focused on Reducing Total Ownership Costs and Integrating Acquisition and Logistics.

A Day of Awareness

In a May 4 memorandum, Under Secretary of Defense (Acquisition & Technology), Dr. Jacques S. Gansler, proclaimed the observance of Logistics Reform Focus Day II as a day "dedicated

to increasing the awareness of logistics reform initiatives."

Encouraging Departmental personnel in the local area to turn their attention away from normal operations for one day, Gansler urged them to focus on "understanding and discussing the many ongoing initiatives and innovations intended to increase support to our warfighters."

A Packed Agenda, An Overflow Crowd

An overflow crowd (estimated at over 3,000) turned out to hear DoD-Industry senior logistics executives report on DoD-Industry progress in truly effecting a DoD "Revolution in Military Lo-

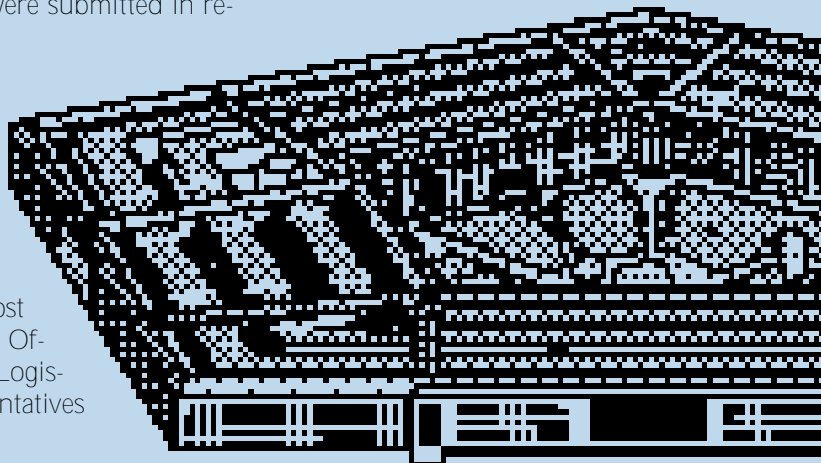
GANSLER PRESENTS LIFE CYC

Six Teams Recognized at 1998 Lo

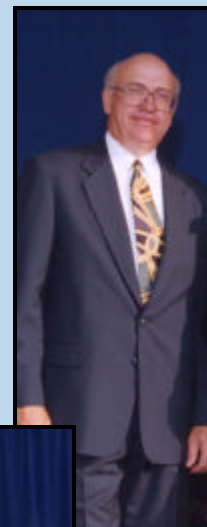
Joined by Roger W. Kallock, Deputy Under Secretary of Defense (Logistics), Dr. Jacques S. Gansler, Under Secretary of Defense (Acquisition & Technology), recognized six government and industry teams who have developed and pursued innovative techniques in the active process of looking for new ways to reduce life cycle cost. These teams scored highest among 57 projects that were submitted in response to Dr. Gansler's May 4 call for nominees.

From the 57 projects submitted, one winner was selected from each of the following categories: Army Award, Air Force Award, Navy Award, Marine Corps Award, Defense Agency Award, and Overall DoD-Industry Award.

This marks the third year of the DoD Life Cycle Cost Reduction Awards, which are sponsored by the Office of the Deputy Under Secretary of Defense (Logistics) and a joint committee that includes representatives from all the Services.



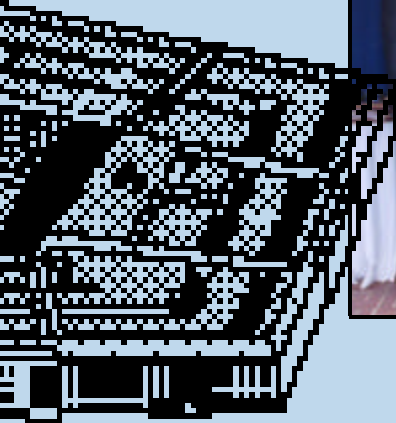
ARMY AWARD — M157A2
INTEGRATED PRODUCT TEAM



OVERALL DoD-INDUSTRY AWARD — LONGBOW MISSILE COST REDUCTION TEAM

LE COST REDUCTION AWARDS

Logistics Reform Focus Day Ceremony



DEFENSE AGENCY
AWARD — DEFENSE
CONTRACT MANAGE-
MENT COMMAND
GOVERNMENT-INDUS-
TRY SINGLE PROCESS
INITIATIVE INTEGRATED
PRODUCT TEAM



NAVY AWARD — NAVAL SURFACE WARFARE CENTER, DAHLGREN DIVISION
SHIPBOARD COLLECTIVE PROTECTION TEAM



MARINE CORPS AWARD — V22 Osprey MARINE CORPS
JOINT BELL BOEING-U.S. GOVERNMENT TEAM



AIR FORCE AWARD —
AMRAAM VISION 2000
IMPLEMENTATION TEAM

GOVERNMENT-INDUSTRY EXHIBITS

A Day of Meeting, Greeting, Learning for

Deputy Under Secretary of Defense (Logistics), Roger W. Kallock, on the job since June 1998, hosted the Oct 1. Observance of Logistics Reform Focus Day. Highly visible throughout the day as host and moderator, he was also an enthusiastic visitor at several industry-government exhibits set up in the Pentagon Center Courtyard.

The Air Force put its R-TOC (Reduction in Total Ownership Cost) Exhibit on display. Sponsored by the Assistant Secretary of the Air Force (Acquisition), the R-TOC Team is spearheading the Air Force Reduction in Total Ownership Cost (R-TOC) effort to reduce operational support costs and use the savings to enhance modernization efforts while simultaneously meeting the warfighter's needs.



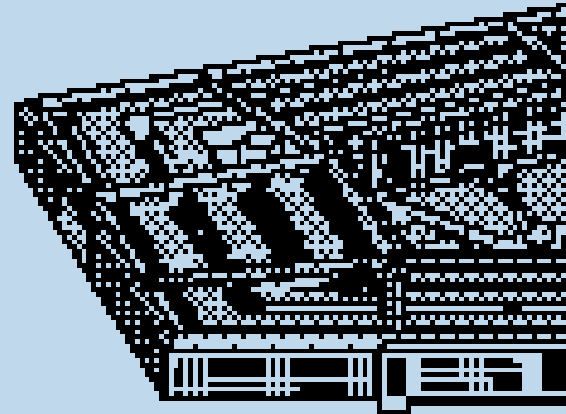
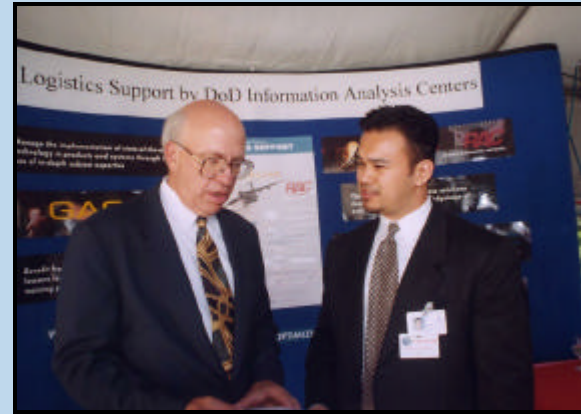
The Army's Logistics Civil Augmentation Program (LOGCAP) exhibit highlighted the LOGCAP mission — to provide logistics, engineering, construction, and services in support of contingency operations worldwide, through the deployment of civilian contractors.



One of three Inventory Control Points for the Defense Logistics Agency, the Defense Supply Center Columbus (DSCC) exhibit highlighted DSCC's role as the nation's largest supplier of weapon systems, spare parts, and end items.



The Logistics Support by DoD Information Analysis Centers exhibit highlighted the DoD IACs. Their primary mission is to collect, analyze, synthesize, and disseminate worldwide scientific and technical information in clearly defined, specialized fields or subject areas.

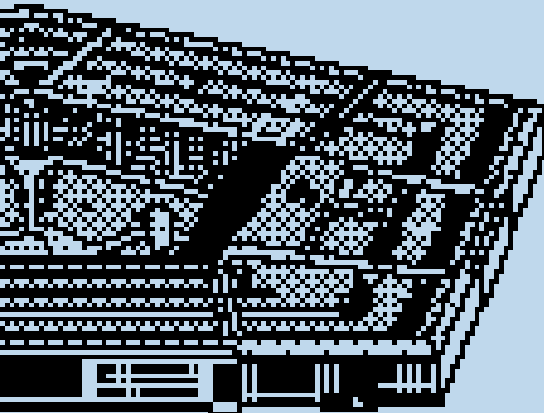


The Defense Information Systems Agency (DISA) exhibit focused on DISA's role in providing command, control, communications, computers, and intelligence support to the nation's warfighters.

DRAW LARGE, DIVERSIFIED CROWD

Roger Kallock, New Logistics Deputy Secretary

The Defense Industrial Supply Center (DISC) exhibit featured a wide range of information on its customer service and supply support initiatives. DISC's "Logistics Solutions" initiative encourages more flexible arrangements to solving longstanding supply support problems using best commercial business practices.



Logis-Tech sponsored the Environment Stabilization System (ESS[®]) Exhibit. Awarded a five-year contract, Logis-Tech is working with DoD to field the most reliable, cost-effective dehumidification and controls technology available. DoD views controlled humidity preservation as a maintenance technology and readiness enhancement program to eliminate corrosion.



The Navy's Military Sealift Command (MSC) exhibit focused on MSC's role in operating ships for U.S. Navy fleet support; providing special ocean missions support to U.S. government agencies; prepositioning U.S. military supplies and equipment at sea; and providing ocean transportation of defense cargo worldwide in both peacetime and war.



Defense Supply Center Philadelphia, a primary field activity of the Defense Logistics Agency, is a worldwide provider of federal logistical services, a champion of military readiness, and a leader in business innovation, providing food, clothing and textiles, medical supplies and equipment worldwide.



The Air Force Research Laboratory (AFRL) exhibit featured the latest Air Force efforts to lead the discovery, development, and timely transition of affordable, integrated technologies that keep the U.S. Air Force the best in the world.



Raytheon's exhibit featured information on the company's logistics reform initiatives as well as its three core business segments: defense and commercial electronics, business aviation and special mission aircraft, and engineering and construction.

- Defense Logistics Agency Government/Industry Single Process Initiative Integrated Process Team
- Naval Surface Warfare Center, Dahlgren Division Shipboard Collective Protection Team
- Marine Corps B-22 (Osprey) Joint Bell Boeing – U.S. Government Team
- Industry Longbow Missile Cost Reduction Team

Concluding the award ceremony, Kallock congratulated not only the winning teams, but also the other nominees “who were courageous enough to enter into this competition.”

He thanked all of them for their hard work over the years and said that it was “indeed inspiring for someone from the private sector to see all the good work that’s going on in the Defense Department today.”

Gansler Emphasizes Importance of DSB Study

Before introducing the keynote speaker, Gansler stressed the importance of Logistics Reform. He said that recognition of the critical areas for change and improvement is one of his top priorities.

“Many are aware that I chartered this year a Defense Science Board [DSB] summer study on acquisition, particularly stressing the relationship of logistics and the importance of the logistics transformation in order to really change the way we do business in the Department of Defense.”

What the DSB concluded, according to Gansler, was that while all of the initiatives DoD has been going through over the last few years are very, very important in their own respect, incremental improvements alone will not totally transform the overall logistics process.

“And that’s what’s really required – a significant transformation,” Gansler states, “if we’re going to dramatically change and enhance performance and maximize the cost reductions that come from the logistics area.”

Gansler said that he agreed with the Defense Science Board’s assessment – that the only way DoD will be able to effect this total change is by “totally reengineering our logistics process.”

Keynote Speaker — Susan Morrissey Livingstone

Gansler introduced Susan Morrissey Livingstone as panel chair on the Defense Science Board summer study on logistics transformation.

“Most recently,” he told the audience, “Susan led a massive restructuring and strategic planning effort while serving as the vice president of the American Red Cross for Health and Safety Services.”

In addition, Livingstone served the Federal Government for more than three years as Assistant Secretary of the Army for Installations, Logistics, and Environment.

“So she comes with a great deal of experience and understanding of what the DoD does, as well as what the commercial world has been doing,” said Gansler.

Logisticians — Critical Enablers of Security

Livingstone began by acknowledging her bias toward military logisticians. “I must admit to you up front, my strong belief that logisticians have been, are, and always will be the critical enablers of security and the freedoms that we enjoy today in this country.”

Biases confessed, Livingstone went on to speak of what she believes the future will hold for logisticians in the next five to 10 years.

Her participation on the Defense Science Board has given her a unique perspective on what the logistics system needs to focus on in order to achieve the needed changes.

Although Livingstone was unable to discuss the specific recommendations of the Science Board study, she shared the vision of what a transformed logistics system would look like.

The logistics system, according to Livingstone, would:

- Allow for reductions in the demand for logistics “through a total integration of logistics into the R&D and acquisition process.”
- Involve new relationships with the private sector, transforming today’s “public/private sector partnerships and teams” into the public/private sector “marriage” of tomorrow.
- Accomplish deployments and deliveries “in days or hours, not weeks or months.”
- Actualize improvements in logistics system survivability.
- Produce a logistics champion and architect with a focus on unprecedented leadership.

Livingstone also emphasized the need for military logisticians across the Services, Office of the Secretary of Defense, and the logistics Defense Agencies to learn to “speak the same language.” This can be done, she believes, by eliminating the practice of formulating different buzzwords within the Services to describe the same logistics function.

“Seamless logistics requires seamless language. And in the same way we speak in the information technology world about a common operating environment, in the logistics world we need a common operating language.” With this change, she asserts, “Military logistics would function a heck of a lot better.”

Livingstone concluded her remarks by reminding the logisticians that, even in the midst of a changing logistics system, “The men and women from defense and industry who are this nation’s military logisticians, will always be able to ensure that our warfighters can concentrate on their critical task at hand because you, the logisticians, will always be one leap ahead...to equip them; to deploy them; to feed, house, and clothe them; to be their engineers; to be their medical lifeline; to maintain and to sustain their needs as they battle; and when victory is achieved, to bring them and their equipment home.”